

264—1.2(80GA,HF692,HF683) Values fund.**1.2(1) Purpose.**

a. The statutory purpose of the grow Iowa values fund is to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state. The approval of an application should contribute to achieving one or more of such goals.

b. The fund is structured to provide financial assistance for business start-ups, business expansions, business modernization, business attraction, business retention, and marketing. The fund may also be used for rail, air, or river port transportation-related purposes when such use is directly related to an economic development project and the funds involved are also used to leverage other money. In addition, one half of one percent of the funds appropriated by 2003 Iowa Acts, House File 683, section 66, is allocated to the department for administrative purposes.

1.2(2) Values fund and board authority. The values fund includes money appropriated to the fund by the general assembly, interest earned, repayments and recaptures of loans and grants. The fund is under the control of the board. The board shall approve or deny applications for financial assistance from money appropriated to the fund pursuant to 2003 Iowa Acts, House File 683, section 66.

1.2(3) Allocation of money in the fund.

a. Money appropriated to the fund is to be used for the purposes stated in subrule 1.2(1), including funding for programs administered by the department. These appropriations are subject to actual receipt of moneys by the fund. If money received by the fund is less than the amount appropriated, such amount will be prorated proportionately. The board shall allocate a percentage of the moneys for business start-ups, business expansion, business modernization, business attraction, business retention, and marketing. The board will allocate funds semiannually. The board may adjust the allocation if it determines that it is necessary to do so to ensure the availability of funds in those categories in which the greatest need is demonstrated to exist or to respond to investment opportunities. The board may allocate an amount to the VAAPFAP program (rules for the VAAPFAP program are located at 261—Chapter 57), the CEBA program (rules for the CEBA program are located at 261—Chapter 53), the entrepreneurial ventures assistance (EVA) program (rules for the EVA program are located at 261—Chapter 60), the targeted small business financial assistance program (TSBFAP)(rules for the TSBFAP are located at 261—Chapter 55) and other programs administered by the department. The department may use funds appropriated under 2003 Iowa Acts, House File 683, section 66, to procure technical assistance from either the public or private sector, for information technology purposes, and for rail, air, or river port transportation-related purposes.

The board may allocate a portion of the funds to assist start-up businesses. Start-up businesses are defined as those that have been in business for less than three years. A start-up business shall demonstrate that its project has an identifiable, viable market; a viable product ready for market; and a commitment to stay in Iowa. Start-up businesses are exempt from the wage level and job count requirements in these rules.

b. Applications submitted by businesses seeking financial assistance from programs that are administered by the department, but funded with values fund money shall comply with the department's application procedures for those programs. Notwithstanding the foregoing, the board shall have final authority to approve or deny such applications where such authority is granted to the board by law.